



International Tax Asia Pacific and MENASA August 2016

This e-newsletter gives you an overview of international tax developments being reported globally by KPMG firms in the Asia Pacific & MENASA regions between **1 August and 31 2016**.

Australia	Cambodia	India	Israel
Myanmar	New Zealand	Taiwan	Thailand
Turkey	Vietnam		

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To contact the International Tax Team email internationaltax@kpmg.com.

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	Tax area concerned	Relevant date/Case reference	Description of measures and publication link (<i>Considerations in italic where necessary</i>)
Australia			
Administrative and case law	Compliance	12 Aug 2016	Some taxpayers have restructured their arrangements to simplify compliance in the post Multinational Anti-Avoidance Law (MAAL) environment. These restructures have surfaced potentially unintended consequences in relation to the application of Australian goods and services tax (GST). In response, the Commissioner of Taxation yesterday issued Taxpayer Alert 2016/8 and an Addendum to GSTR 2000/31. Read more.
KPMG publication	Financial statements	10 Aug 2016	Jenny Wong looks back at some key issues surrounding the new general purpose financial statements legislation, ahead of the imminent Australian Taxation Office (ATO) consultation process. Read more.

KPMG publication	Withholding tax	16 Aug 2016	Vimal Vincent, financial services specialist, discusses the OECD proposal to recognize pensions funds and what this means for Australia super funds. Read more.
KPMG publication	Foreign hybrids	18 Aug 2016	Matt Birrell looks into the Australian Taxation Office's new draft guidance on the foreign hybrid rules. Article includes discussion of whether you need to be an Australian resident to make an election to treat a (foreign) limited partnership as a foreign hybrid. Read more.
KPMG publication	Tax outlook	24 Aug 2016	Tax 2025, KPMG's discussion paper, sets the scene for what lies ahead, and how it will impact the Australian tax system. Read more.
KPMG publication	Tax rates for investors	24 Aug 2016	James Edwards discusses the implications of the new angel investor tax break which provides qualifying investors with a 20 percent tax rebate and capital gains tax (CGT) exemption (for the first 10 years) when they invest in a company that qualifies as an early stage innovation company (ESIC). Read more.

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Cambodia

Administrative and case law	Compliance	9 Aug 2016	Beginning in August 2016, Cambodia's tax department and municipal officials in Phnom Penh will begin collecting certain data from enterprises.
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India

Tax legislation adopted and regulatory update	Corporate restructuring	12 Aug 2016	The lower house passed a bill, the Taxation Laws (Amendment) Bill, 2016, that includes changes to the terms of "demerger" and amends the rules for deductions by certain taxpayers. Read more.
Administrative and case law	Withholding tax	8 Aug 2016	The Delhi High Court held that payment for managerial services are not to be taxed as "fees for technical services" in view of the "most favored nation" clause under the India-France income tax treaty. Accordingly, the payments were not subject to tax withholding. Read more.

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Israel			
Proposed legislation	Multiple	17 Aug 2016	The Israeli budget plan proposed for 2017-2018 introduces significant changes with respect to international taxation, and would be relevant for individuals, multinational corporations operating in Israel, and Israeli corporations operating abroad. Read more.

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Myanmar			
Administrative and case law	Offshore loans	19 Aug 2016	The Central Bank of Myanmar (CBM) has recently posted an undated notification in relation to the processes for obtaining the CBM's approval for offshore loans/loans from abroad.

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New Zealand			
Proposed legislation	Multiple areas	10 Aug 2016	A second omnibus tax bill for 2016 has been introduced and contains provisions including business tax measures which are expected to help business taxpayers manage their provisional tax, UOMI, and penalty exposures. Other measures reflect New Zealand's commitments as a "global citizen" to enhance tax transparency. Read more.

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Taiwan			
Proposed legislation	VAT	25 Aug 2016	Taiwan's Ministry of Finance announced its intentions to amend the value added tax (VAT) regulations regarding foreign e-commerce providers and to bring them into the "VAT net." Under the proposed changes, foreign e-commerce enterprises outside Taiwan and that sells online to Taiwan individuals would be required to register and pay VAT in Taiwan. Read more.

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Thailand			
Administrative and case law	VAT	9 Aug 2016	The government of Thailand has issued a statement describing its desire to extend for at least one more year the reduced rate (7 percent, instead of the statutory rate of 10 percent) of value added tax (VAT). Read more.

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Turkey			
Tax legislation adopted and regulatory update	Tax amnesty and repatriation	19 Aug 2016	New legislation provides an opportunity for companies in Turkey to close their accounts against potential tax audits by making voluntary tax base increases.
Administrative and case law	Customs duties	25 Aug 2016	An “amnesty” program in Turkey allows for the restructuring of customs duties, as well as taxes and tax assessments, penalties, and interest related to the underpayments. To participate in the amnesty program, an application must be completed and filed before the end of October 2016. Read more.

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Vietnam			
Administrative and case law	Corporate tax	29 Aug 2016	Guidance issued by the tax authorities in Vietnam concerns corporate income tax, VAT and tax registration. Read more.
Other	Free trade agreements	4 Aug 2016	Vietnam has entered into 10 bilateral and multilateral free trade agreements (FTAs). Read more.

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